

Town of Bluffton Council Meeting

February 8, 2011



PACE *Healthcare*
COMMONS

PACE Healthcare Management

Brian Cain, Chief Executive Officer

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COMMONS

State of Local Healthcare

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Current State of Healthcare in the SC Lowcountry

Short Term Acute Care Provides High Quality
Depth and Breath of Services

Medical Services

- Obstetrics
- Cardiology
- Primary Care
- Oncology
- Pediatrics
- Critical Care
- GI

Surgical Services

- Open Heart
- Spine
- Orthopedic/Hand
- GYN
- General
- Podiatry
- Plastic

(List Not all Inclusive)

Current State of Healthcare in the SC Lowcountry Tertiary Care

- Access to Trauma Centers
 - Charleston
 - Savannah
- Access to Teaching Hospitals for Advanced Care
 - MUSC
 - Savannah
 - Others of Patient Choice

Current State of Healthcare in the SC Lowcountry Post Acute/Convalescence

- Nursing Homes
- Assisted Living
- OP Dementia
- Home Health
- Small Acute Inpatient Rehabilitation (Beaufort)

Current State of Healthcare in the SC Lowcountry Physicians

- Better Than Average Physician Coverage
- Gap:
 - Primary Care
 - Not enough of certain specialties
 - No coverage in some specialties
- Need to Plan for Current/Future Population Growth

Current State of Healthcare in the SC Lowcountry

What is Missing?

Comprehensive Inpatient Post Acute Continuum

- Long Term Acute Care Hospital
- Inpatient Rehabilitation Hospital
- Geriatric Psychiatric Hospital
- Skilled Nursing and Sub-acute Care Designed to Restore Independence

Current State of Healthcare in the SC Lowcountry

Why is This Level of Care Missing?

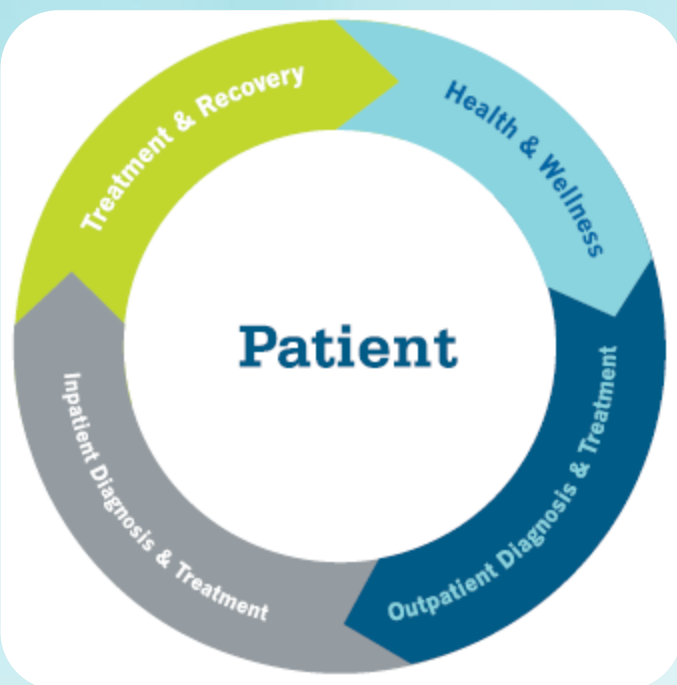
- Traditional Delivery of These Services Requires Larger Individual Hospitals to Make the Services Cost Effective
- Located in Larger Urban Populations



What Has Changed?



Introduction



PACE Healthcare Management is leading the evolution of healthcare delivery with the development of an advanced regional collaborative healthcare model for comprehensive, high quality post acute patient care that is scalable to market size.

In partnership with short-term acute care hospitals in the region, this model is designed to significantly improve clinical and financial outcomes by providing the right care for each patient based upon medical necessity.

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- Four Licensed Facilities Under One Roof
 - 32 Bed Long Term Acute Care Hospital
 - 24 Bed Inpatient Rehabilitation Hospital
 - 22 Bed Geriatric Psych Hospital
 - 120 Bed Skilled Nursing Facility (60 Sub-acute Beds)
- Central Ancillary and Overhead Department
 - New model with CT/Diagnostics
 - Improved Diagnostics = improved care/fewer transfers
- Scalable to market utilization
- Replicable in multiple markets



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- Walking Mall
- Related Health Care Services
- Assisted Living
- Anchor for Retail

Economic Advantages to Bluffton and Surrounding Communities

- \$78M Capital Investment
- 300+ New Jobs (\$12M Payroll)
 - Housing
 - Retail
 - Schools
 - Taxes
- New Tax Dollars
- Expands Physician Base
- Improves Overall Quality of Healthcare
- Reduces Cost of Healthcare
- Allows Community to Receive this Level of Care Close to Home
- Utilizes Local Higher Education



Where Are We on the Project?

- Two CON's Approved
 - Skilled Nursing Facility
 - Geriatric Psychiatric
- Two Con's in Process
 - Rehabilitation
 - Long Term Acute Care
- Gained Interest from National Post Acute Company as New Innovative Delivery System (Prototype)
- Market Analysis Complete
- Acute Care Hospital Support



Where Are We on the Project?

- In Process of Obtaining Funds to Build Facility
 - Capital Markets Generally Tight
 - Investments of this Size More Difficult
- Speaking with Multiple Funding Sources including International
- In Discussions with Potential National Partners
 - Even Large Providers do Not Have Cash to Fully Capitalize
- Public/Private Partnerships
- Once Funding In Place Build Out Complete in 18 - 24 Months